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FOR ACTION

REVISED PROPOSAL FOR AN ADMINISTRATIVE AND MANAGEMENT REVIEW OF UNICEF

SUMMARY

In its decision 1993/23 (E/ICEF/1993/14), the Executive Board requested the Executive Director to submit at the 1994 winter organizational session a revised outline of an administrative and management review of UNICEF. The present report provides this revision and includes an update of developments since the Board's 1993 regular session, as well as a discussion of the objectives, scope and framework of the review, the terms of reference of the independent external consultants, the organization and conduct of the review and its projected time-frame and costs.

Comments made by delegations at the 1993 Executive Board session, as well as General Assembly resolution 48/162 of 20 December 1993 on the restructuring and revitalization of the United Nations in the economic and social fields, have also been taken into account.

The Executive Director recommends the following proposal for approval by the Executive Board.

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I. INTRODUCTION

1. At its 1993 regular session, the Executive Board reviewed the proposal by the Executive Director (E/ICEF/1993/AB/L.8 and Corr.1) for a review of administrative and management structures at UNICEF headquarters. The Board welcomed the proposal's overall approach and framework and decided that the review should be carried out by external consultants from both industrial and developing countries, in close cooperation with the UNICEF secretariat (decision 1992/23, E/ICEF/1993/14). The Executive Board also provided specific guidance to the secretariat as to the structure of the review and requested the Executive Director to submit a revised outline of the review at the 1994 winter organizational session.

2. The Board requested that the secretariat take into account the results of the ongoing discussion on the restructuring and revitalization of the United Nations in the economic and social fields and the findings and experience of the multi-donor evaluation of UNICEF. It also emphasized that the review should focus on accountability in terms of greater clarity in strategic choices and greater transparency in budgeting and reporting, as well as efficiency of management and administrative structures and functions, support services and financial and technical procedures. The Executive Board decided that the review should be finalized by the end of 1994 and that the consultants' report should be presented to the Board.

II. PROGRESS AND DEVELOPMENTS

3. In view of the very limited time available between the anticipated approval of the proposal in mid-February 1994 and completion of the entire review by the end of the same year, the secretariat has held advance consultations and begun other preparatory actions.

4. Specifically, the Executive Director has initiated a series of internal discussions on future strategic options with the regional directors and senior staff in the three functional groups at UNICEF headquarters (Programme, Operations and External Relations) in order to determine the critical issues facing the organization.

5. Wide-ranging information-sharing and consultations are being undertaken with field staff, staff associations (the Global Staff Association and local associations) and with staff-at-large on developments related to the review. As part of this exercise, all staff members were invited to suggest areas for improvement in the organization's general cost-effectiveness and efficiency.

6. The Executive Director has been consulting with and seeking advice from institutions and individuals in the fields of management sciences and administration. These will provide him with "state of the art" ideas and proposals for the conduct of this very important study, which will guide the management of UNICEF into the next century.

7. The Executive Director has designated as the coordinator for the study, a senior-level officer who has started preliminary identification of potential and appropriate consultants from among firms in the management field, prior to proceeding with the final selection processes.

8. On 20 December 1993, the General Assembly adopted resolution 48/162, which will have implications for the future work of UNICEF. It is expected that at the 1994 winter organizational session, the Board will begin to review and decide upon its new procedures and practices, which will no doubt have implications for the working relationship between the secretariat and the Executive Board.

9. Various actions are under way with regard to follow-up to the multi-donor evaluation of UNICEF, which will be discussed by the Executive Board later in 1994. The linkages between the follow-up to the evaluation and the review will be included in the study.

III. PROPOSED OUTLINE

A. Objectives

10. The general purpose of the administrative and management review will be to assist the Executive Board in providing guidance to the Executive Director in determining how UNICEF management can be improved so the organization may better carry out its mandate over the next 10 to 15 years. The review will aim to enhance the operational capacity of UNICEF to:

(a) Support actions by Governments and communities to help them achieve the goals and strategies for children and development in the 1990s established by the World Summit for Children, as well as the commitments undertaken with the ratification of the Convention on the Rights of the Child;

(b) Treat those child-related development issues in a strategic, comprehensive and effective manner;

(c) Become an even more effective instrument of the United Nations for advocacy, programming and operation of human development activities centred on children;

(d) Respond effectively to new opportunities and challenges arising from a changing world order, including the needs of children in newly independent countries;

(e) Improve coordination and collaboration with other United Nations agencies, Governments and non-governmental organizations (NGOs);

(f) Harmonize the views and approaches of industrial and developing countries on child-related issues, especially those related to girls and women;

(g) Contribute to a significant improvement in the mobilization of resources, technology and information to address problems of women and children;

(h) Promote inter- and intra-country cooperation in resolving problems concerning children;

(i) Utilize and strengthen capacities of developing countries to deal with children's and women's issues;

(j) Provide essential services to countries and empower local communities;

(k) Improve further the management of UNICEF resources in order to maximize benefits to developing countries.

11. In addition, in the short term, the review will assist the Executive Board in reviewing proposals for the 1996-1997 administrative and programme support budget.

B. Scope of the review

12. The review will involve an examination of UNICEF operational policies and procedures in relation to the organization's economy, efficiency and effectiveness in fulfilling its mandate. In particular, the review will:

(a) Emphasize accountability in terms of the organization's objectives and the need to make strategic choices in pursuing these objectives;

(b) Examine actions taken by the Reference Group of the Executive Board and the secretariat in ensuring greater transparency in budgeting and reporting;

(c) Identify areas for improvement in the efficiency of management and administrative structures and functions, support services and financial and technical procedures;

(d) Examine areas where improvements in management's cost-efficiency could be introduced;

(e) Look into collaboration with other United Nations agencies, NGOs and intergovernmental bodies, including areas where UNICEF cost-effectiveness may be hindered by system-wide constraints and procedures.

C. Framework

13. The review, which will be forward-looking, will be set within the framework of the UNICEF mandate and its objectives as approved by the Executive Board, including:

(a) The emerging consensus within the United Nations system on sustainable development and the growing focus on human development, especially for women and children;

(b) The mid-decade goals and the goals for the year 2000 for the survival, protection and development of children;

(c) The advocacy and social mobilization role of UNICEF, particularly with regard to implementation of the Convention on the Rights of the Child;

(d) Follow-up to the multi-donor evaluation of UNICEF;

(e) The ongoing restructuring and revitalization of the economic and social fields of the United Nations system.

D. Terms of reference

14. The review will be carried out by external consultants from both industrial and developing countries. The review will address the following issues.

1. Operational activities

15. Pursuant to the ongoing discussion on the restructuring and revitalization of the United Nations in the economic and social fields, particularly those related to the agencies' operational arrangements as specified in General Assembly resolution 47/199 of 22 December 1992, the review will examine the unique competencies and areas of comparative advantage of UNICEF and how they can be further strengthened.

2. Collaboration with other organizations

16. Since UNICEF works with a wide spectrum of partners, including multilateral and bilateral organizations and NGOs, the review will assess actions needed to ensure more effective collaboration on all fronts.

3. Processes and procedures

17. The decentralized country programme system and methodology have been the mainstays of UNICEF collaboration with recipient Governments. The role of headquarters and regional offices in support of the country programme approach will be examined in the light of the increasingly complex and wide-ranging interventions of UNICEF globally. Established procedures for the positioning of staff, supplies and equipment, financial resources and advocacy instruments will be reviewed with a view to enhancing, where necessary, their relevance, costing and effectiveness.

4. Operational and management systems

18. In the light of the rapidly expanding use of electronic information and communications in UNICEF operational activities, the review will examine existing and planned systems in relation to programme implementation, monitoring and evaluation. It will assess the efficiency and effectiveness of such systems in support of managing the organization and its resources.

5. Administrative structures

19. As a highly field-oriented organization, UNICEF has established a decentralized administrative structure that reaches down to subnational levels. The review will examine the relationship between the policy, management and support functions of headquarters and regional offices and programme implementation at country level. It will examine the present and emerging roles of these structures and any need for changes for further improvement.

6. Accountability

20. With increased decentralization and delegation of authority for implementation to the field and divisional managers, the review will study the efficacy of the existing set-up in relation to administrative, financial and human resources accountability. It will examine the organization's management in the light of its staffing configuration, decision-making mechanisms and team-building arrangements.

E. Conduct of review

21. The external consultants will work closely with the secretariat in conducting the review and will employ, inter alia, the following methods:

(a) A review of recent Executive Board policy decisions and guidance on programme and operational areas;

(b) The examination of administrative and operational studies, evaluations and reviews carried out in recent years;

(c) A review of administrative and operational policy manuals and other directives, as necessary;

(d) A study of the methods and flow of work within and between selected parts of the organization;

(e) Interviews of selected staff from various locations, including headquarters, regional offices, country/area offices and subnational offices;

(f) Visits to a selective and representative number of UNICEF offices of different sizes, locations and functions, as well as visits to project sites, if necessary, specifically to obtain relevant information for a full assessment of the administrative structures and organizational needs;

(g) Discussion with officials of the United Nations Secretariat and other United Nations agencies regarding collaboration and cooperation;

(h) Discussions with selected National Committees for UNICEF and NGOs;

(i) Regular liaison with the coordinator and other secretariat steering and working groups of staff from headquarters and field locations;

(j) A critical issue within such a broad canvas will be the identification of and focus on key areas of strategic concern. At each stage, the external consultants will do this in consultation with members of the Executive Board and the secretariat.

F. Timetable

22. The following are critical dates for the completion of the review: 1/

(a) Executive Board winter organizational session, 14-16 February 1994. The Board will review the proposed outline, terms of reference and budget;

(b) Executive Board regular session, 25 April-6 May 1994. The Board will have informal consultations on the study;

(c) Fall 1994. The Executive Board will review projections of headquarters staffing and make a preliminary review of the study;

(d) November 1994. Consultants discuss draft report with the Executive Director;

(e) December 1994. Consultants finalize report and submit it to UNICEF. Executive Director's comments and recommendations and executive summary of the study are sent to the Advisory Committee on Administrative and Budgetary Questions (ACABQ);

(f) March 1995. Review by ACABQ;

(g) Summer 1995. Executive Board considers the review and the Executive Director's recommendations on the study.

G. Budget and costs

23. As described above, the administrative and management review would entail two types of costs: (a) all costs related to the external consultants, including fees, travel and related expenses; and (b) costs related to UNICEF staff members assigned to assist in carrying out the review either on a regular or temporary basis, including salaries, travel, production and incidental expenses.

24. Based on the secretariat's preliminary contacts with other United Nations agencies, UNICEF field offices and a number of management consulting institutions, estimated costs for external consultants ranged from $400,000 to $2 million. It is estimated, therefore, that the total cost for carrying out this review will be as follows:

	United States dollars
External consultants	
Consulting fees	600 000
Travel and related expenses	300 000
Subtotal	900 000
UNICEF staff costs	
Coordinator and support staff	250 000
Travel and per diem expenses	25 000
Production costs and other related expenditures	20 000
Subtotal	295 000
Contingency	125 000
Total	1 320 000

25. In addition to the above will be the cost of senior management time devoted to the study, which has not been calculated. In view of the fact that the secretariat is endeavouring to control administrative costs and due to the shortfalls in estimated general resources income for 1994, the Executive Director proposes to accommodate all these costs within the approved administrative and programme support budget for 1994-1995 through reductions in most categories in the budget.

Notes

1/ All dates of Executive Board meetings are subject to change depending on the implementation of General Assembly resolution 48/162.